VIRGINIA ROANOKE RIVER BASIN ADVISORY COMMITTEE MEETING MINUTES Floyd County Administration Building January 18, 2006

Attendance: VRRBAC members, Read Charlton, Walter Coles, Dr. Rupert Cutler, Haywood Hamlet, Evelyn Janney, John Lindsey, Curry Martin, Mike McEvoy, Charles Poindexter, and George Stovall. Ann Austin represented Congressman Virgil Goode. DEQ: Greg Anderson, DCR: Tim Ott

Call to Order:

Chairman Poindexter called the meeting to order.

Welcome

- George Nester, Floyd County Administrator, welcomed the Committee to Floyd County and voiced appreciation for the work of VRRBAC. He indicated that Floyd County was the fastest growing county west of Charlottesville, with a 16 % growth rate in terms of population. This is good in the sense that Floyd County had been discovered. However the County is still working on what it wants to be.
- David Ingram, Chairman of the Floyd County BOS, stopped by to welcome VRRBAC and recognized the work of the Committee. He recognized Evelyn Janney of Floyd County for her hard work on VRRBAC which was reiterated by Chairman Poindexter.

Recognition of Members and Visitors:

Chairman Poindexter welcomed everyone and recognized members and guests. Guests included Dr. Nancy Carwile, Charlotte County BOS, Chuck Hutsell, VDOF, Roger Holnback, Western Virginia Land Trust, Tamara Vance, Virginia Outdoor Foundation, and Howard Dickerson and Terry Slusher, Floyd County Residents.

October 5, 2005 Meeting Minutes:

These minutes were approved.

Chuck Hutsell, Regional Forester, Virginia Department of Forestry; "Strategic Overview of the Department of Forestry and Forestry in Virginia"

Chuck said he appreciated the opportunity today to inform the Committee on the VDOF's strategies for managing the forestry resources for the State. His Office in Salem covers one of six regions in the State, which includes 15 counties with a lot of activity. He wanted to cover what a forest should look like and what they should provide for us in the future. Some of the ideas may be new concepts and may be of a controversial nature. The strategic plan was developed in 2004 and he proceeded to highlight portions of it to VRRBAC.

DOF 2014 Shaping Virginia's Forests

- This is the Virginia DOF's strategic plan which covers the 10 year cycle from 2004 to 2014, when Virginia DOF celebrates its 100th anniversary. VDOF's core foundation for this plan is recognizing that forest resource benefits are dependent on land protected and retained in forest and that forestland conservation is paramount.
- VA's Forest Resources will 1.) Be protected from damaging fire, theft, insects, pathogens, and weeds, including invasive species; 2.) Be diverse in age, species, location, pattern and size; 3.) Provide extensive cover in all 14 river basins; 4.) Include unique and fragile habitats; 5.) Be available for use and enjoyment of all; 6.) Contribute to the state's financial diversity and provide economic vitality to the rural communities. Invasive species is an area that needs a lot of focus in the future because there are some nasty ones out there.

- DOF Strategic Goals include 1.) Protect the citizens, their property and the forest resources from wildfire; 2.) Protect, promote and enhance forested watersheds, non-tidal wetlands, and riparian areas; and 3.) Conserve the forestland base. The last one is critical because we are losing about 20000 acres each year the last 15 years. This rate should raise a flag for us. There are actually 7 goals but these 3 are the heart of the strategy.
- Our reasoning is that everything we do on the land affects the quality of water in our rivers and streams. We need water to drink, to keep clean, for recreation, transportation, fishing, and to produce goods and energy. Trying to prevent pollution from running off land that drains into a waterway is what watershed management is all about!
- A healthy forest watershed (in contrast to other land uses) provides 1.) Higher quantity of water yields than non-forest; 2.) Discharges the highest quality of water; 3.) Discharges lower storm flow peaks and volumes for a given input of rainfall; 4.) Provides the greatest soil stability and the lowest levels of soil mass movement, gully erosion and surface erosion; and 5.) Exports the lowest levels of sediment downstream.
- The loss of forest cover and conversion to other land uses can adversely affect freshwater supplies and compound disasters resulting from hydro-meteorological extremes. Watershed conditions and water management can be improved if forests are managed with hydrological objectives in mind. We are having more floods now. While not a panacea for resolving water issues, forests provide tangible social, economic and environmental benefits.

How Can We Conserve Forestland?

- We currently have as tools 1.) Forest Riparian Buffer Tax Credits; 2.) Forest Legacy (Easements in perpetuity); 3.) Various state & federal cost share programs; and 4.) Ag/Forestry Districts in some areas. They are also starting to do some cost sharing BMPs. These tools are used to help maintain our forest land base.
- Question: Chairman Poindexter asked if the Forest Riparian Buffer Tax Credits were separate from farmers receiving money for riparian buffer BMPs. It is in addition to.
- We need 1.) PDRs (Purchase of Development Rights) which likely needs State funding to be more successful; 2.) Compensation to non industrial private forests (NIPFs) for non-income resources such as quality water, view shed, cleaner air and carbon sequestration; and 3.) Conservation Agreements not in perpetuity, but long term.

State funded PDRs

- Momentum might be building in the Virginia General Assembly toward finding a dedicated state funding source for local purchase-of-development-rights programs.
- Currently, six Virginia localities Albemarle County, Clark County, Fauquier County, James City
 County and Loudon County and city of Virginia Beach have purchase-of-development-rights
 programs, through which property owners are compensated monetarily for agreeing to give up
 development rights on their parcels in perpetuity, in place.
- PDR programs are very expensive and would be more attractive if the state would contribute funding to localities.
- Question: Ann Austin asked if localities were funding these now. Yes. How much I do not know but there are some that have been done.

- Comment: Dr. Cutler mentioned that VA Beach passed a bond issue for this purpose and also uses Federal Tax income from the National Wildlife Refuge to fund the PDR concept as a tool to prevent urban sprawl. They do not want to be required to extend services to these areas. It is less expensive to leave it as farmland.
- Question: Chairman Poindexter asked if there would be any stipulation in these PDRs to allow the Forests to be timbered. VDOF wants to have a working forest. Dr. Cutler saidmost don't have problems with that. It continues to be a working forest and a working farm. The point is urban services are not extended out there. Chuck said we will not be removing the trees and taking the stumps out and converting it to any other use.
- Comment: Chairman Poindexter said that local governments are authorized to spend funds to acquire development rights. The State has also set up a program to do this but very little money has been appropriated. Roger Holnback said yes there is a shortage of money but it is a good time to get local governments to develop the mechanisms (statutes and ordinances) to be ready to implement a PDR program. At some point in the future there may be that one critical farm or other property that the community decides is really worth saving. Then it is essential that mechanisms are in place to capture available funding so that it can be accomplished. Its not that communities have the money to save all the farms but to have the mechanisms in place is a very useful tool. You don't have to use it or fund it but when the opportunity comes up you are in a better position to use it if needed.
- EXAMPLE: Consider a piece of land that is generating a net income of \$100 per acre in agriculture. To obtain a fair market value, income capitalization is used whereby income flow is divided by the interest rate, say 5%. This yields a value of \$2,000 per acre. Suppose a developer would be willing to pay \$5,000 per acre to building a commercial building with a paved parking lot. This implies that the development value of the land would be \$3,000 per acre. At this differential it is very unlikely that the parcel will remain under its' current use and dedicated to remaining in agriculture. However, if a PDR program makes an offer of \$3,000 an acre to the landowner, then that land-owner has the opportunity to realize the economic benefits accrued from the development potential of the land, while having the ability to keep the land as agricultural.
- Comment: Mrs. Janney said but the farmer still gets to use the land. Yes.

Compensation of NIPF for other resource values

- Over 14 million acres of forestland in Virginia is owned by private landowners which is approximates 66% of the forestland base. These forestlands provide clean water, clean air, carbon sinks for the high concentration found in air, and beautiful views for all to live travel and enjoy in Virginia.
- Private forest landowners usually receive no annual income from owning forestland. They normally will only receive income once during a single owner lifetime. Currently, there is no method to calculate the benefits of these commodities and there is no program in place for compensation.
- Comment: Dr. Cutler said unless you lease a cabin or the land to a hunt club, camping, etc. There are some of us but it really does not happen that often.
- Ideas for compensation to NIPF landowners include 1.) Vehicle emissions tax; 2.) Percentage of payment from discharge permits from various industry to NIPF landowners; 3.) Water use fee for water treatment returned to owners in the watershed; 3.) Reform or eliminate the Estate tax for private forestland estates; 4.) Establish business entities for multiple owner forest management; and 5.) Carbon trading where landowners could sell credits to power plants and other industries that are green house gas polluters. These are just ideas and are not necessarily supported or encouraged.
- The demand carbon trading is driven by our overall concern for global warming caused by the build-up of greenhouse gases in the atmosphere. Supply is motivated by those who are seeking additional income for the ecosystem services supplied by their forests. Forest carbon trading has been somewhat a

controversial field because it could reduce land use options and slow development. With the adoption of appropriate strategies, the development of markets for forest carbon can have multiple benefits while addressing these concerns. There is a fine balance here.

Long Term/Conservation Agreements

- Generate financial support from various interest (value) groups and establish a company or let an agency administer funding from the group to private landowners. The amount of payment and timing of payment would be bid by the landowner and then accepted. A matrix of pay would be needed and developed for this purpose. It would be more difficult to work a term agreement but I believe you would get a lot more people committing to them.
- Comment: Dr. Cutler said you would not be tying your children's and grand-children's hands as much. Exactly.
- A type of trust fund would be set up for the interest groups to pay into. Additionally some seed money would likely be needed via legislation to get this off the ground.

Conclusion

- We must stop forestland loss and fragmentation for the health and welfare of our society and benefit of all. The knowledge, resource and ability are out there for us. We just have to provide the commitment and support those opportunities as they arise. Chuck ended with a couple of his personal thoughts for the Committee to ponder:
 - 1. The days in which clean air and water are free could very well be numbered!
 - 2. Once a forest is developed into a parking lot, it is doubtful it will ever return as such. At least Chuck has not seen this in his lifetime. Have You?
- Question: Read Charlton asked are PDRs and Long Term Agreements (LTAs) like conservation easements. Yes. LTAs are. There are a number of agencies and organizations that offer easements. Forest Legacy Program is the VDOF program for a conservation easement. Western Virginia Land Trust and Virginia Outdoor Foundation offer easements in perpetuity. Roger Holnback said the closest thing we have now is something like a CREP agreement that lasts for 15 years.
- Comment: Charles Poindexter said I was talking to a farmer the other day with 1000 acres who said I just can not tie my heirs up in a perpetual lease. The current system is broke. We need a 20, 30, or 50 year program and then I am willing to play. I have heard this from many, many people around my county. Chuck said there are a lot of options out there are 20, 30, 50 year terms. It can be a working or a non-working forest. There is not a one shoe fits all program out there. Roger Holnback replied it is not a matter of the conservation community saying it has to be perpetual but rather the IRS. Chairman Poindexter pointed out that it is not a lifetime on forestry because pine trees can mature in 15-17 years and be used for pulpwood. You can also plant them every 5 years. So the problem with children and grandchildren can be solved Chuck said you are correct with the faster growing species. If you plant hardwoods it takes a long time. Chairman Poindexter the objections I hear is do we have the right to tie up say what might be the middle of Floyd in 100 years. Evelyn Janney said I was lucky enough to grow up on a farm and had parents and grandparents that were wise. We were able to roam the land there was a lot I learned that you can not find in a text book. The values of those trees being there, you just didn't take an axe and cut down a tree. Those trees had a purpose for being where they were and those purposes were important. I learned a whole lot and did not even know what I was learning it until later in life. This is something that could be used down the road for children under supervision to go to and learn. Chuck stated in the last decade we have learned more about what trees can do in terms of taking up carbon dioxide (CO2) and reducing the CO2 emissions. You would be surprised the volume of CO2 taken in by one tree. There are a lot of things out there involving carbon trading now. Texas is doing some of this now.

Comment: Roger Holnback said he would like to address the perpetual nature of easements and whether that is a bad thing 100, 200, 0r 300 years from now. In Manhattan one of the most densely populated areas in our country 17 % of the land has been set aside. This land is predominantly Central Park and a few smaller parks. In our counties in this region of Virginia we are averaging less than 1 % of each county under perpetual easement with restrictions on land use. When you look at a largely forested rural area, if we ever get to 15 % we will be in good shape more like Fauquier, Loudon, and Albemarle Counties where easements have been popular for some time. New York made that decision to set aside this land as perpetual open space. If it had not it would have been street after street in that area. The impacts we are having with easements in the more rural areas really are not a negative impact and I am sure our great grandchildren will appreciate those green spaces. Chairman Poindexter said I really did not mean to imply the negative impact of it but rather the unknown factor I am hearing from constituents. John Lindsey indicated that his experience with his wooded property in Loudon County is that none of the conservation movements can compete with the developers. Your return on development is astronomical as compared to what you can get with an easement. Roger replied that easements have been shown to be first an ethical decision. It is a decision to be based on your intent for the land, to see it outlast your time there and to preserve it for your future generations. It has to be a decision from the heart first because the finances are never quite as attractive as opening up for full blown development.

Tamara Vance, Deputy Director, Virginia Outdoor Foundation; "Conservation Easements"

Tamara explained that the Virginia Outdoor Foundation (VOF) is a State Agency assigned to DCR. It is their mission "to promote the preservation of open space lands and to encourage private gifts of money, securities, land or other property to preserve the natural, scenic, historic, open-space and recreational areas of the Commonwealth." This mission has been accomplished through accepting conservation easements on land throughout the State. VOF holds easements on over 329,800 acres in 91 local jurisdictions. The VOF conservation easement program has grown to 1,900 properties under easement, and over 193,000 acres accepted in the last 6 years alone. The most popular areas are the Northern Virginia area of the State between Charlottesville and Leesburg. That is where 75% of the easements are. The word is spreading about our program in Southwest VA so it is starting to get more attention and participation.

- Easements are done for a variety of reasons. We are looking for easements that provide significant benefits or values to the public and the Commonwealth which makes the easement worthwhile. One of those values is the water quality value which is a concern of this group. Conservation easements place restrictions on the easements. There are restrictions placed on the land regarding commercial, industrial, and residential development and to protect water quality. The latter restrictions are related to forestry BMPs. We also encourage riparian buffer zones but do not require the fencing of cattle from streams. We work with landowners to get involved with the CREP program that uses State and Federal money for agriculture BMPs. Most landowners who sign up for easements do agree to restrictions protecting the water quality. We have a lot of pasture land in the piedmont and southwest Virginia, so we include a lot of information in our packets about grass land and grazing management.
- In the Roanoke River basin in particular the Catawba Valley we have several easements where our education efforts have paid off. These easements place limitations on intensive residential development which holds down the number of roof tops and paved surfaces that are impervious and that increase runoff and flooding and degrades water quality. Each parcel may have one principal single-family residence per 100 acres and appropriate incidental non-residential outbuildings or structures.
- VOF is now using geographical information systems (GIS) to map our easements and to provide land mass statistics concerning them. In the Roanoke Basin there are 19.3 miles of stream protected by easements at the end of 2004. She provided a handout of a table produced from the GIS system

information which listed these stream segments. This included 11316 acres of land. In 2005 there were an additional 19 easements obtained in the VA Roanoke River basin which increased the acreage by about 3000.

- She then talked about benefits to the landowner. She hoped the Committee could help with educating neighbors and others in the watershed who may be interested in an easement. Landowners agree to restrict subdivisions, intensive residential, industrial and commercial development, and mining on the property. They agree to use BMPs if commercial timber harvesting is to be done. They agree not to have junk yards or commercial sites such as airports and other such things. In exchange for that they enter a legal contract with VOF that is recorded at the court house and receive certain tax benefits. She passed out a pamphlet concerning these benefits, which include a Federal Charitable Gift deduction, a Virginia State Tax Credit, a Federal Estate Tax Exemption, and a possible reduction in Local Property Taxes.
- Comment: Dr Cutler stated that these benefits are the government paying or income forgone by the government. It is just like being paid for your development rights. There is a cost to the Public.
- Tamara then spoke in particular about the Virginia State Tax Credit and passed out another handout on this topic. VA has been low on a list for natural resources dollars spent per capita but receives high marks for this conservation efforts and the tax credit is considered to be the most generous in the nation. This is VA's way of rewarding land owners who protect their private property for public benefit including water quality. The way it works is a value is assigned by an independent appraiser for the development rights forgone. This value is used to calculate the credit which is up to 50 % of the fair market value of the gift for up to 6 years. If you can not use the entire amount it can be transferred to another land owner, give it to your children or even sell it. The tax credit is transferable. An average value to the land owner across the State is about 38 % of the land value. Rural areas in the western part of the State may be only 10 % but around cities 55%. Then 50 % of that can be used as a tax credit. It does not compensate entirely for the development rights but if you are inclined to preserve the family property it does give you a nice economic incentive.

Open Space Lands Preservation Trust Fund

- Tamara then discussed this fund which currently contains 2.8 million dollars. The 1997 Virginia General Assembly created the fund (Va. Code Sections 10.1801-2). The purpose of the fund is to assist landowners with the costs of conveying conservation easements such as legal fees, appraisal costs, survey expenses, etc. This can help make the donation possible. In rare cases it is used to purchase of all or part of the value of the easements. To be eligible, the easement must be perpetual in duration.
- Priority is given to this program to family farms where there is a history of production and ownership in the family. Also, financial need is a factor as no money is given for outright purchase of the easement to owners who have more than \$50,000 of income. Priority also goes to those who just want their costs reimbursed. We are always looking for the special cases to use the money on. For instance last year money was spent on a large farm in Essex County with prime agriculture land and soils and it was a joint venture with matching funds involving other agencies. Another one was 800 acres in Rockbridge County on the way to Hot Springs on a Virginia Scenic Bi-way where the farm was on both sides of the road and the widow was property stricken. We would love your help finding these farms that are special. We are also looking to work with Counties who have PDR programs to help leverage the money. Franklin County has set a small pot of money aside for this. There are 12 additional counties in VA who at least have the ordinances in place to fund PDRs.
- Question: Curry Martin asked if a person had to be the full owner or could the bank be holding the note? It happens quite often that banks allow this as long as you have sufficient equity to assure them. We have not had problems of banks not signing on to these. If a property is under joint ownership all the owners have to sign.

- Question: Read Charlton asked if a corporate entity like a Westvaco or a Union Camp could get a conservation easement. Yes. However some of the big forest owners have been moving towards real estate and reserving the right to sell at the highest rate. So they have not been as willing to do easements.
- Question: Ann Austin asked how this trust is funded. It is funded through allocations by the General Assembly and also during license plate renewal there is an option to give \$1 to the VA Land Conservation Fund administered by DCR. The idea of just paying for the costs in most instances instead of outright purchase of development rights is to leverage the money. Roger Holnback pointed out that it was small chunks of State money in the range of 6-8 thousand dollars going for most of these easements, which is money very well spent. Tamara indicated the operating money for VOF comes from a \$1 recordation fee on real-estate transactions in counties where there are VOF easements.
- Comment: Dr. Carwile stated that she was concerned that these easements are not receiving adequate promotion. It seems to me that when someone gives land they should get more recognition, even sainthood. Even something that is permanent like a sign that marks it. Tamara agreed and said we have struggled a lot with how to appropriately do this. We do have a sign program and plan a celebration for land owners who have done easements. Our partners with the private land trusts help us a lot with this.
- Question: Read Charlton asked how a conservation easement is different than a PDR. When you give a conservation easement you are giving up your development rights or donating these rights. Sometimes these rights are actually purchased by us or a local government PDR. Dr. Cutler said the land owner is compensated in different ways with a PDR vs. a voluntary easement.
- Comment: Chairman Poindexter stated that he believed there was a little confusion between the VOF and the private land trusts. VOF holds most of the conservation easements in the State. Until the 1980s private groups were not permitted to hold easements. The Nature Conservancy does want to hold easements. They target areas with rare species where we target areas for a lot of public values. Most other private land trusts prefer not to hold easements and take on the financial burden of enforcing these. These groups provide a service of educating the landowner and raising the awareness about the opportunity to do this. There are about 30 of these groups in the State. They help the landowner understand the complicated tax issues and their personal finance issues they may be facing. They provide tax advice and referrals that VOF can not do being a State agency. Roger replied that a wonderful partnership and there is no conflict whatsoever. Only in the broad sense are we in the same business in that we are both promoting conservation and encouraging conservation easements. The VOF concentrate on holding the easements, recordation, and monitoring compliance. We are doing the education piece that VOF does not have the staff to conduct. We are out there promoting the concept and when we identify someone interested we pass them on to the VOF for the legal work. The compliance issue is something we can not really handle because our only recourse would be to bring a civil action. VOF can turn it over to the Attorney General of Virginia. The AG's letter has sopped virtually every action by a landowner that would be in violation of their easement. Tamara confirmed that the AG letter worked as it made them fix the problem. We have not had to go to court even once to get compliance.
- Question: Mike McEvoy asked if she could shed any light on the bills about conservation easement tax credits before the General Assembly at this time. She said you should never speculate on what the GA may do. There are House versions and the Senate versions. The Senate appears to prefer more restrictions on the tax credit program, because they are starting to figure out what a big revenue impact can have as it grows. The Speaker of the House is very supportive of this program and he appears not to want the program changed. There was a similar struggle last year and you never know how it is to turn out until it's over for the year. There are bills that want the

credit in only Bay Watersheds, to only farms where there is a 15 year commitment to BMPs, and to restrict the credit to \$100,000. There are over 15 bills that could impact our programs.

Howard Dickerson and Terry Slusher; "Land Owner Experiences with Conservation Easements"

Howard Dickerson

Last Sunday we had a celebration here in Floyd County for our 170th year anniversary. Judge Williams, our County Historian, said that the County had been used by people for 9000 years. The first Europeans came here in the 1600s as settlers or just passing through. His ancestors started coming in 1700. It hit me really hard that in the last 30-40 years probably had more impact on the County than the previous 9000. I would like to read you a piece I wrote after this get together that puts land conservation in context with Floyd County. I had intended to send this as a letter to the editor but did not get around to it. The following is a paraphrased report of the reading.

- Mr. Dickerson commented on a meeting he attended in December 2005 where Senator Reynolds
 received feed back from citizens about a legislative agenda submitted by the Floyd BOS. The BOS
 would like to get some revenue from the State income tax to help balance their budget. This would in
 theory lessen the property tax burden on landowners.
- One persistent theme presented to Senator Reynolds was that the BOS is responsible for Floyd County fiscal woes. Capital projects were cited as examples of how finances were mishandled. Mr. Dickerson disagrees with that notion. He believes the problems have been brewing for decades. Capital outlay is not the only problem or even the biggest problem. The biggest difficulty is the daily expenses of operating the County. Back in the early 60s a new high school and vocational school were built. This was a massive capital outlay but was affordable because the cost of running the County was relatively low. The landfill was a big hole in the ground on the south side of Floyd. There were only a few County employees and teachers taught twice the number of students with a much smaller support staff. Those days are gone, and are in fact illegal. This is the result of State and Federal unfunded or under funded mandates. The only vote Floyd BOS members got on these mandates was a vote to raise revenue to pay for them. Some say to ignore the laws but this is not wise.
- The idea of local governments receiving a share of the State income tax has been in play for more than 20 years. The State legislature is not about modifying the tax code to help rural localities meet their financial obligations. So the Floyd BOS is stuck with property tax to be the main source of local revenue. Increases in property tax fuels the urban cycle. More people put their land on the market. Much of this land is then subdivided and sold in smaller parcels, generally minimum size lots. The buyers of these lots create more demand for local services, which are not offset by the taxes they pay. Therefore the property tax is increased more often. Floyd County is required by law to pay for this. Open space must take up the budgetary slack caused by development.
- There is a way to block this urbanization problem of our County. It is to get a conservation easement on your land. The powers that be can not turn a conservation easement into a subdivision. Instead the land is preserved in perpetuity for future generations. Conservation easements yield a lower property tax, a State income tax credit, and Federal tax deductions. A local organization, the New River Land Trust can help you with this process of land preservation. The love of the land, as manifested in a conservation easement, will give Floyd County a much brighter future.
- He became interested in conservation easements about 20 years ago when coming to grips with his own mortality. I did not want to be the generation to cash out after all the generations behind me had worked that farm. My problem then was what I knew and what I did not know. The things I knew about land conservation were wrong and there were many things I did not know. Through the groups the New River Land Trust and the Western VA Land Trust I found out what I needed to know. In November 2003 I was able to put our family farm in a conservation easement. He used the VOF and found the

people at this organization were very good to work with. The Board was able to make some special considerations dealing with his type of soils which are shallow in nature. I consider this easement to be a big accomplishment in my life. I also derive some pleasure out of telling others about my experience with easements.

- Mr. Dickerson indicated he better clean it up a little before doing that. At least I got it out of my head on paper. Read Charlton stated that would hit home in any Southern Virginia rural newspaper. Mr. Dickerson replied you know our local BOS is under tremendous pressure to do something but all they can do is raise property taxes to pay the bills. A lot of these people who think they could do differently would not be able to do so after they get there. I had a friend who over the years bought out all the other parcels around his Dad's land while he was probably working for minimum wage. The taxes were getting ready to sell his property but now I think he is going to get a conservation easement. Mrs. Janney said I want to thank Mr. Dickerson for presenting this to us. What he has not said is that he has been in that BOS seat. I don't reckon they threw rocks but it was close because there was a lot of controversy at that time. I thank him for that service and for coming today. I agree with the others here who believe those words need to go in the newspaper. Read Charlton noted that his letter came from a unique perspective in that he has served on the BOS and you know the problems of the County. You have put forth a solution that will ultimately help the County in the long run.
- Question: Walter Coles asked if he had said he was granted some exception to the land by the VOS Board. He replied it had to do with the shallow soils on my property and in Floyd County. In Floyd County one of our biggest industries is the nursery business which exports large root-balls of top soil out of the County. These soils are shallow and I am afraid the land may suffer from this. One man working a lifetime like this can take it completely down to rock. In my easement you can grow trees but you can not dig them. Tamara indicated that this was not a customary restriction issued by VOF because they encourage horticulture but after research, it was accepted. It actually places a greater obligation on the VOF to follow up on the compliance with this restriction. We are very careful about taking extra restrictions that land owners may want.

Terry Slusher

- Evelyn Janney introduced Mr. Slusher as having served on the Local Farm Bureau Board and lots of other things in Floyd County. She said that both Mr. Dickerson and Mr. Slusher were good representatives of the Floyd Agriculture Community.
- Our farm is about 480 acres. We decided 2 years ago to do the easement. It is a long process and the assistance from the VOF office was invaluable.
- I am going to throw out a few numbers. We ended up getting a tax credit of 27 % of the assessed value. That makes the gift 54 % of the property value, prior to the last assessment. When it went up everybody's land went up. Of course land value is always greater than the assessed value. After figuring the credit at 80 %, 20 % Federal Tax, and 2 % for cost of the easement. This works out to be 17 % of the assessed value. I know a lot of people have sold their land just to pay for the care of their parents. We were able to use the easement money for that and we still have the land to use so I am thankful for that.
- Question: Read Charlton asked you are going to reduce the value of your property and this will reduce the local property tax. Yes about a 1/3 reduction based on the land use value. The house track actually increased due to the surrounding property being under easement. Haywood Hamlet asked what the levy was in Floyd Co. Mrs. Janney indicated about \$0.62-64. Haywood stated that's about the same as in Charlotte Co. which has been hit hard economically with the tobacco buyout, WestPoint Stephens Mill closed, and Dan River Mills across the county line in Brookneal where many residents work also shut down. Things are pretty tough where we are from and we are probably going to have to do something about our levy. Terry said the average acre of land in Floyd now is about \$4000/acre. We are 75 miles from Winston Salem, 40 miles from Roanoke, and 2 hours

from Charlotte. Read Charlton asked how many citizens are in Floyd County? Terry replied about 13,000. Mrs. Janney stated and growing. Roger Holnback indicated the development pressure out Rt. 8 from Christiansburg was tremendous with 500 unit subdivisions being planned and executed. Large Farms are being sold one after another and turned into sub-divisions. Haywood asked if there was much industry in Floyd. Very Little. Residents go to Roanoke and Montgomery Co. to work. Charles Poindexter responded I compliment you Floyd farmers for figuring a way out around the system. We were told you had about a 16 % growth rate. By putting your land in conservation easements you are shifting the tax burden that the supervisors have to wrestle with every year to those people moving into the subdivisions. At least they will be paying a fairer share of the levy. Terry answered that's like the personal property tax, you want to drive a \$75,000 Hummer you pay the tax on it. You want to drive a 20 year old Nissan Pickup with the bumper falling off you pay the tax on that. Haywood inquired if a tax was levied on cattle and farm machinery? No. Carroll County does. Haywood said we do in Charlotte County but we are going to look real hard at that again. Dr. Carwile said what we hear is that I am retired and living on a fixed income and I can't pay the property taxes and I want some relief and we should have a special tax break for people that are on a fixed income. That is just taxing the rest of the County to give money to the heirs. They are holding their property to give to their children who immediately subdivide it and get the money out of it. Why should the rest of taxpayers subsidize them when they are going turn around and subdivide it anyway? A conservation easement makes sense. Then you can say we are making a trade. You put your land under easement and we will reduce your taxes. It makes a lot more sense than saying we are going to give you a tax break because you are old. Terry said well we could put 12 new houses on the 480 acres any way. We started thinking about how many houses that could be put on the property under the easement. The way the land was bought in different tracts each one could have a main house and two tenant houses. So for a 500 acre easement you could split it 5 ways and put a good number of houses anyway. Dr. Carwile asked if there was a minimum size associated with the easements. Tamara replied 50 acres unless it has special resource values or is adjacent to other lands that contribute to conservation easements.

Sub-committee Reports:

Agriculture and Forestry

Haywood indicated that this meeting has represented both areas pretty well.

Municipal Interests and Permit Holders (MIPH)

John Lindsey said we are refining the data we have and the appropriateness of the questionnaire. The objective is to determine the long term needs of the basin are and how the known supplies will meet those needs.

Rivers:

Watt Foster was not present. Read did not have anything to report. It was reported that there would be a TMDL meeting in Brookneal on January 23, at 7pm. This would be for the Bacteria TMDL on the Staunton River.

Water:

Mike McEvoy reported that Dave Paylor had replace Bob Burnley as DEQ Director. He generally discussed the legislative bill packet Greg provided to date. He wondered if we should authorize the Chair to comment on any particular bills of VRRBAC interest. Chairman Poindexter asked for a motion to authorize the Subcommittee chairs to comment to the legislators in VRRBAC behalf. He asked them to let him know as a courtesy and he would review it to help ensure the other members would not have any reservations. Mike said it would be good to circulate an email if there were particular bills we were against or supported. Mike made the motion which was seconded and passed.

Lake Interests:

Bob Conner was not present. Chairman Poindexter reported that Franklin County endorsed the Boating Safety Task Force recommendations. This group is interacting with the legislature and DGIF to get SML's safety problems fixed.

Other Business:

Charlotte County BOS 1-3-2006 Resolution

- Haywood Hamlet led the discussion of this item, joined by Dr. Carwile from the Charlotte County BOS. The resolution in short asked that the Staunton/Roanoke River be included in the Commonwealths plans to improve water quality. The BOS are concerned about the Bay but are concerned about the clean up of our streams. Is this Committee interested in passing a similar resolution?
- Dr. Carwile stated that Charlotte County had been concerned about their rivers for some time, probably starting with the era when DEQ had not been forthcoming with the PCB information during the early 90s. It is upsetting when you use the river to not know what pollutants are there. Our problem is that Virginia always publicizes the Chesapeake Bay to a great extent and it receives a great deal of attention and grants. When I worked with the Governor Schools only the ones in the Bay watershed received any grant money. There used to be a bumper sticker you could get that said I live in the Roanoke River watershed but they apparently are no longer printed. Some of our own Citizens are confused as they either think they live on the Staunton River and do not connect the dots are they think the river flows to the Chesapeake Bay. This resolution is just the first step. I am not sure where to go with it now. Maybe we need to go to Richmond with a bus load of people like the Shenandoah River people did. Quite frankly, even if we went I don't know what to tell the legislators what we want. Does this Committee even know what we want? There are so many pieces to it, as you got keeping the river clean, economic development, protection of our farms and farmland, etc. All of these things are interconnected and for that reason the resolution is pretty vague. I believe this Committee can help me as a citizen as well as a BOS member in defining what we want. Some kind of resolution from this group that we could take back to our localities and say something more specific would help. I guess I am saying that this is the advisory committee and I am asking for advice.
- Comment: Read Charlton commented that he was at the CBay rally. They are asking for 260 million dollars. There were 800 people at the General Assembly meeting and the message was Save the Bay and Keep Our Streams Clean. It was very effective.

Question: Dr Cutler asked if anyone new the content of the bill proposed for the Bay. Mike McEvoy replied there was 260 million dollars for nutrient removal in the Bay. 200 million is targeted for treatment plants in the Bay watershed. Nutrients have been identified as the pollutant causing most of the Bay's problems and wastewater treatment plants are easier to identify and work on then are the non-point sources. I was encouraged to some extent that this year 25 million dollars is proposed for the rest of the State outside the Bay. Another 10 million went to funding drinking water systems outside the Bay watershed. So finally there is some attention that the entire State does not drain to the Bay and also needs some funding. The reality is probably that 200 million is the target for the Bay and without support the other may disappear. Dr. Cutler said maybe that is what we need to ask for. Dr. Carwile replied that this is what she needs. Chairman Poindexter thinks that each of us needs to return to our localities and communicate with our legislators to ask for a prorated share based on stream miles or some other measure. What is driving the Governor is the agreement he signed with NY, PA, and MD and we have to come up with the money. Dr. Carwile responded we talked to our legislators and they know what watershed they are in. I guarantee you that Delegate Plum is not thinking about us. When the CBay people go there they talk to all the legis lators not just the ones in their watershed. We are not talking to the rest of the State. We are just saying don't forget us. Read Charlton said the river goes into Albemarle Sound in NC. It crosses that political boundary but the river doesn't know it. Dr. Carwile retorted the State of VA knows and it takes

pressure off of them to protect this river because a lot of our problems become NC concerns, not Richmond. **Haywood**

- Hamlet said to sum it up I believe what Dr. Carwile and I are asking is would it be appropriate for this Committee to pass a resolution and give it to our legislative members to circulate at the General Assembly. Dr. Cutler moved that the Committee pass a resolution based on Charlotte County's resolution, which was seconded. The Committee decided to have Dr. Cutler to work on some wording along the lines of discussion and revisit the matter after lunch. Dr. Carwile said she wanted us to know that if there was anything Charlotte County could do to raise this to another level of concern to please let us know, BMPs, land conservation, any of these things. We have a Board that is willing. Chairman Poindexter said he was on the VACO Agriculture and Environmental Committee was fighting hard for a representative share. Quite frankly the problem is there are greater populations and more votes in these other areas and that is what we are up against. Dr. Carwile replied that there are also more sources of pollution so it also depends upon which funding you are talking about.
- The following resolution was agreed upon. Members then passed the motion regarding the resolution. It was to be sent to our member legislators, basin legislators, General Assembly Natural Resource Committee Chairs or a member, and the others on our electronic mailing constituent list. It was also asked that members take it back to their localities and get action concerning the issue.

January 18, 2006

Resolution urging the inclusion of the Roanoke/Staunton River and other rivers outside the Chesapeake Bay drainage in the Commonwealth of Virginia's plans to fund water quality improvements

Whereas, as important as the Chesapeake Bay is to the Commonwealth of Virginia, the southern rivers of Virginia, including the Roanoke/Staunton, the New, and the tributaries of the Tennessee, also are critically important to the economic development of the Commonwealth and to Southside and Western Virginia in particular; and

Whereas, the watersheds of the southern rivers of Virginia constitute approximately one-third of the landmass of the state; and

Whereas, these rivers and their watersheds contribute significantly to the scenic and recreational qualities of the Commonwealth; and

Whereas, the water quality of these rivers, lakes, and their tributaries have been severely compromised; and

Whereas, the water quality of *all* of the Commonwealth's surface waters is important to the health and safety of our citizens;

Now, therefore, be it resolved, that the Virginia Roanoke River Basin Advisory Committee, meeting in Floyd, Virginia, on January 18, 2006, does hereby support the inclusion of the Roanoke/Staunton River and the other southern rivers in all efforts to fund waste water treatment plant upgrades and other programs to improve the quality of the water resources of Virginia; and

Further, urges that, in a spirit of equity, such funding be provided on a pro rata basis to communities and other entities commensurate with the land mass and river miles in each watershed.

Page 13 VRRBAC 1-18-2006 Meeting Minutes

By: Charles D. Poindexter Chairman, Virginia Roanoke River Basin Advisory Committee

Report to Basin Constituents

Chairman Poindexter asked if members had received any feedback from anyone on the VRRBAC Report to Constituents. He had talked to Senator Ruff, who indicated the legislative members would attempt to secure some funding for VRRBAC. No one else reported any feedback.

Status of NCRRBAC and Bi-State Commission

Greg reported a message from the NC Governor's representative indicating that NC had some appointments expire and it was necessary to do some reappointments/appointments prior to a meeting. He also said Harrel Johnson, RRBA, had indicated there was movement on the NC side. He has been in contact with Rep. Lucy Allen and has supplied names for the Governor to consider for appointment. Bob Conner had left a message that he also has been in contact with someone on the NC side who assured him activity was taking place.

Future Meetings:

A date was decided for the next meeting to be held in Charlotte Court House. This date turned out to be bad for several members so the new date selected by polling members is **April 25th.** Possible topics will be stream bank protection and restoration, FERC Re-licensing studies at SML, NCRRBAC Status, and Legislation Status. Charles will check with AEP for a speaker on the studies. Greg and Mike will team up to report on the legislation

Adjournment: